

NONUNION PAY PARITY – JULY 2006

2006 Pay Parity

On July 11, 2006, the City Council passed the Career Services, Legal Services, Excepted Services, and Management Supervisory Non-Collective Bargaining Unit Employees Pay Equity Compensation System Changes Approval Resolution of 2006 (PR 16-831).

What does this mean?



Career, Excepted, and Management Supervisory Service schedules will no longer lag behind union schedules. This equality has not happened since the mid-1980's and continued lag was

exacerbated by the financial crises of the 1990's. This change is designed to reduce inequities where union and non-union employees, working in the same grade and often in the same series, were compensated at different rates and this will close the gap between union and non-union pay scales, allowing the District to provide equal pay for equal work. The new MSS ranges also eliminate the wage compression issues.

Eligibility: Most current employees on Career Service, Management Supervisory Service, and Wage Grade Service will receive a 2006 adjustment. The only schedules not receiving any increases are the special schedules of the Unified Communication, OPM Protective Services, Recreation Service, Physicians/Dentists, Supervisor Wage Service, and the Wage Grade Management Supervisor Service. These schedules did not require adjustment at this time. Other special schedules are consolidated to the limited number of new schedules.



What are the benefits of this pay parity?

- Nonunion will be finally at same pay levels as the union.
- New ranges will assist in recruitment and retention issues.
- Increased morale in nonunion employees who have felt discouraged by union employees earning more for similar work.
- The new ranges increase flexibility by removing the financial negative in accepting a nonunion position.
- Those still on step plans will not have their LEI date affected – next step will be as expected.
- Employees on new pay-for-performance schedules will find it beneficial in the long run (no hold periods, pay for good performance).
- This change will move the District closer to more effective compensation systems (use of pay systems to improve performance, fewer pay schedules, etc.).
- The changes to the MSS schedule will eliminate the wage compression issue of the ranges.
- The new schedules have a more logical relationship to each other than previously.
- The FY07 ranges keep up with union increases (+3%) – maintaining real parity.



Movement to New 2006 Schedules:



Eligible current employees will be moved to the closest step/closest pay of their new schedule that provides at least a 3% base pay increase or to the new range minimum. The only exception to this rule will be for employees who are over the maximum pay rate of any new ranges. For employees on new open pay for performance

ranges, they will also receive at a minimum 3% before moving to the new ranges.

Why did my step change as a result of this effort? Pay parity had to occur within the existing budget allocated for this purpose in FY 2006. Even with savings from efficiencies and productivity improvements, it was not possible to transfer everyone to the new pay scale at their existing step level. As a result, employees were placed on the new pay table in such a manner as to receive an increase in salary but not necessarily to remain at the same step level.

What if I am moving to a new pay-for-performance range?

Upon transition to the new range, you will receive at least a 3% base wage increase, but additional increases will be based only on performance ratings.

Last Equivalent Increase Date (LEI) and Waiting Periods: For employees who are moving steps, their LEI date will be adjusted if necessary so that their next step increase will occur at the time they previously anticipated. The LEI adjustments are necessary if the employees move from a 2 year waiting period to a 1 year waiting period in order for the additional step to occur at the previously anticipated date. For employees over 2 years on step 10, their LEI date will be reset to April 2, 2006.

Schedule Implementation:

DCOP anticipates that this change will occur in late September. Payroll and DCOP are planning for this and other major schedule implementation on pay period 21, which begins

September 17, 2006. Employees may see the new changes reflective in their checks October 10th for pay group 1 and October 13th for pay group 2.



Will this change also impact my benefits? If you are under a current District retirement plan, the higher salary will positively affect your high three retirement pay calculation. Otherwise, benefits are not negatively affected.

What will happen to my vacation entitlement or pension plan?



There will be no changes in vacation entitlements or pension plans as a result of pay parity.

Why did other employees get a larger increase proportionately than I did?

Conversion procedures take into account the current step placement of employees while keeping them in the same grade. The District went through great lengths to make sure all eligible employees received a minimum of at least 3% upon conversion to new schedules, and data indicates that 66% of employees will receive between 3-5%.

Is this just a change in salary or will my job responsibilities also change? Job responsibilities will not change as a result of pay parity.

Retroactive Pay: After implementation of the FY 2006 schedules in September and the new schedules in October, DCOP will work with payroll to calculate and distribute retroactive payments back to April 2, 2006. Only current employees as of the calculation of retroactive payments will be eligible for payment.

Excepted Service Employees: The resolution will increase the minimums and maximums of the pay-for-performance ranges, but the only impacted employees will be those that currently fall below the new range minimum. No other adjustments will be given until their performance review in late fall/early winter.

Independent Agencies: The resolution also provides funding of the transition for independent agencies. The implementation will be the same as for other agencies under the Mayor's authority and will be done by DCOP since they are charged with administering the new schedules.

Fiscal Year (FY) 2007 Pay Increases

FY 2007 Increases: All Career Service, Management Supervisory Service, Excepted Service, and Wage Grade Service schedules will receive a FY 2007 adjustment of 3%. All pay-for-performance ranges will be adjusted 3%, but for employees above the new minimums, their FY 2007 individual salaries will be adjusted only after their performance review fall/early winter. Most current employees on Career Service, Management Supervisory Service, and Wage Grade Service will receive a 2006 adjustment.

Legal Services: The Legal Service schedules will be increased 4.5% for FY 2007. All pay for performance ranges will be adjusted 4.5%, but for employees above the new minimums, their FY 2007 individual salaries will be adjusted only after their performance review.

Schedule Implementation: DCOP anticipates that this FY 2007 change will occur on pay period 22, which starts October 1, 2006.

How and where can I view the new schedules?

DCOP will post the new schedules on the internet and intranet as soon as possible. In the meantime, employees may visit the Council website and locate PR 16-831 to see the entire resolution and associated pay schedules.

<http://www.dccouncil.washington.dc.us/lims/default.asp>

Who is the contact person in the organization for more questions?



Employees should contact their agency HR Advisor for additional questions.

Contacts and Information

Agency HR Advisors-Under Mayor

<http://www.dcop.in.dc.gov/dcop/cwp/view.asp?a=3&q=481778>

Agency HR Advisors-Not Under Mayor

<http://www.dcop.in.dc.gov/dcop/cwp/view.asp?a=3&q=481785>

DCOP Websites

Intranet

<http://www.dcop.in.dc.gov/>

Internet

<http://dcop.dc.gov/dcop>



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